

7-2-19 Suspension of payments by institution -- Order of commissioner -- Approval of governor -- Period effective -- Exempt payments -- Operation during suspension -- Modification of orders -- Adoption of rules and regulations.

- (1) The commissioner, whenever in his opinion the action is necessary in the public interest, may, if the governor approves, order such institutions as are subject to his supervision to suspend the payment in any manner of their respective liabilities to their depositors and other creditors, except as hereinafter provided.
- (2) The order shall become effective upon notice, and shall continue in full force and effect until rescinded or modified by him. No such order shall be issued for an initial period of more than 60 days, but any such order may, if the governor approves, be extended from time to time for further periods not exceeding 60 days each.
- (3) Nothing contained in this chapter shall affect the right of the institutions to pay current operating expenses and other liabilities incurred during a period of suspension.
- (4) Whenever in the opinion of the commissioner conditions warrant such action, he may, if the governor approves, authorize the issuance of clearing house certificates, post notes or other evidences of indebtedness, either during a period of suspension, or during such longer period as he may prescribe, and during a period of suspension, he may permit the suspended institution to receive deposits and may authorize any such institution to pay any part of its liabilities, or of any class thereof, payment of which has been suspended.
- (5) He may, if the governor approves, at any time, by order, modify or rescind any or all previous orders made by him under authority of this chapter.
- (6) The commissioner may, if the governor approves, prescribe such rules and regulations as he considers necessary in order to carry out the provisions of this chapter, and an order may be issued on such terms and conditions as may be incorporated in the order.

Enacted by Chapter 16, 1981 General Session